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TO : Department of State
 INFO : DHAHRAN, CHUSMM, COMIDEASTFOR

DEPT PASS TO: See list of posts below

FROM : Amembassy JIDDA

SUBJECT : Joint Weeka No. 15

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Downgraded at 3-year intervals
 Declassified 12 years after date of origin

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MAY 15 1963

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Drafted by:

RWMurphy/MDraper/RLPhillips:lf 4-16-63

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POLITICAL/ECONOMIC

1. SAG Statement on Disengagement on Yemen. In response tendentious comments from Radio Cairo describing Yemen withdrawal agreement as Saudi defeat, Radio Mecca of April 14, broadcast SAG's agreement on formation of "a neutral international commission to discuss the Yemen dispute." In statement of official government policy "a responsible source" stated "SAG's attitude has been and continues to be one committed to wisdom and self control in the hopes of arriving at a peaceful solution in order to avoid widening scope of dispute and poisoning atmosphere of relations between Arab states as well as to spare precious Arab blood. SAG policy having been from beginning aimed at solving this dispute on basis of no foreign interference in internal problems of Yemen and leaving Yemenis themselves freedom of self-determination and the choice of form of government which pleases them most, SAG therefore agreed to a solution proposed by mediators on basis of principles proclaimed by SAG and advocated by Crown Prince in his speeches provided that implementation of this be undertaken by a neutral international commission."

"SAG does not consider the sparing of Arab blood and settlement by peaceful means a victory for a certain party or an idea it has proposed but a victory for all Arabs enabling them to speak with one voice; and to solve their problems with the aim of upholding supreme Arab interests."

Mecca Radio appended a commentary which included statement, "We say to those who broadcast yesterday evening over Radio Cairo that SAG was the one who requested mediation from America in the Yemeni dispute to save itself, 'Go and ask America about who asked for her mediation because she knows better than anyone else. Truth is worth seeking.'" (UNCLASSIFIED)

IRRELEVANT

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3. Eugene Black Visit. Former World Bank President Eugene Black visited Saudi Arabia April 13-15 in response invitation by Crown Prince Faysal discuss development problems. At their first meeting April 13, Faysal outlined development objectives but confessed he beset by conflicting technical advice as to proper means moving ahead on large road building schemes. Asked Black convey to President Kennedy his desire for U.S. assume this responsibility. Black concluded, as USG and Embassy had previously, that UN [REDACTED] Muhammad Hassan, had interjected an unnecessary amount of confusion and bad advice into the program and had therefore created delays and lack of confidence. At second meeting on April 14, Faysal, upset by premature and distorted news reports out of Cairo concerning disengagement formula in Yemen, used opportunity to pour out his woes and fears concerning the U.S. position in the matter, although he carefully made clear he personally held President Kennedy in highest esteem. Faysal ordered delay in departure plane scheduled bring Black to Jidda in order complete his arguments. (CONFIDENTIAL)

Comment: Black subsequently informed Ambassador he supported Faysal's request U.S. should send small group technical advisors on road program to assist Faysal resolving questions, in effect endorsing previous Embassy recommendations. (CONFIDENTIAL)

4. Oil Exploration Efforts on Red Sea Coast. Robert H. Ray of Houston has begun seismic surveys of three areas along Red Sea coast, generally believed to be geologically favorable for petroleum deposits. Surveys will be conducted on-shore and off-shore. (In meantime, James Menhall, Arabian Oil Company, reportedly negotiating for concession). (UNCLASSIFIED)

5. Embroglio Over Slick Airways Blacklisting. Clearance for Slick Airways aircraft chartered carry Philippine pilgrims to Jidda for Haj approved, then denied, then approved again after urgent representations by Ambassador. Denial issued on basis unsupported allegation Slick Airways had been placed on Boycott of Israel blacklist. Meanwhile President Philippines, who faces election soon, requested U.S. Government convey his personal interest insuring successful pilgrimage this year [REDACTED] (CONFIDENTIAL)

6. Strong Board Directors for Saudi Airlines Proposed. According press report and rumors not yet officially confirmed, Government has decided appoint former Minister of Commerce, Ahmad Jamjum, head Board of Directors for Saudi Airlines, recently constituted as autonomous corporate entity. Airline charter left so much responsibility and power in hands government that many observers despaired of putting Saudi Airlines on orderly profit and loss basis unless, as they said, someone like the energetic and determined Jamjum was made head of the organization. Jamjum's probable appointment therefore is good news and hopefully is prelude to early contract negotiations with TWA for expanded training and advisory roles. (LIMITED OFFICIAL USE)

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3. Revival "Nasir US Agent" theme in Saudi Press. Al Nadwah, April 11, front-paged interpretation of current Middle East events, critical of U.S. role, by General Sa'id al-Kurdi (Director General, Directorate-General of Intelligence.) Article alleges that: (1) Nasir became U.S. agent circa 1956, as means of furthering U.S. paramountcy in area; (2) U.S. now supporting recent federation movement and "collective leadership" as opposed to "individual leadership role of Nasir," as means to accomplish what latter tactic failed to accomplish re U.S. policy objectives in Middle East. Same theme appeared earlier in Al Bilad column, April 7, by Hasan al-QAZZAF, who drew analogy between U.S. support of South Korea military junta and similar support for "absolute, terrorist military rule in Egypt... and also its support for every military rule that comes to power in a country." Commented: "Why don't we say frankly that all military revolts which have occurred from time to time are American made, through American intelligence, which has admitted this on many occasions." (UNCLASSIFIED)

There have been a few other articles of this kind.

Comment: ~~These are common criticisms~~ that have appeared since Crown Prince Faysal became Prime Minister. In assessing significance not too much attention should be paid to such critical comments given favorable and extensive coverage other items concerning U.S. or Cuba policy, U.S. space program, etc. (LIMITED OFFICIAL USE)

4. Development. Saudi press continues to feature SAG development plans; Al Usbu, April 7, headlined Faysal's speech in Medina expressing SAG concern with lowering costs of electricity and water and suggestion the private companies supplying same may come under government control. Al Madinah, April 10, "300 kilometers of Riyadh-Hijaz highway has been completed;" — "SR 400,000 For the Improvement of Telephone Networks in Jidda." Same paper and date gave prominent coverage to news items: "Thousands of Kilometers of Roads will be Paved in the Next Few Years;" "11 New Schools to be Built in Eastern Province." Other items concerned final draft establishment of Industrial Bank, installation of equipment for fertilizer factory. (Al Madinah, April 11 and 12) — Al Bilad, April 12, front-paged settlement of "5,000 Bedouins Moved to New Fertile Areas in the Kingdom as a Prelude to Final Settlement." (UNCLASSIFIED)

Comments: Items represent clear effort by regime play up dynamic qualitative development program as tangible evidence implementation of Faysal's reform promises. (OFFICIAL USE ONLY)

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5. Other News: Arrival of Eugene Black carried front-page Al Bilad, April 12. Item comments that Black's arrival for the purpose of "discussing aid for the implementation of large-scale development projects." Same paper and date headlines, "A U.S. Submarine Sinks to the Bottom of the Atlantic." Lacs impasse given continuing coverage from western wire-services. (UNCLASSIFIED)

For the Ambassador:

Nicholas G. Thacher

Nicholas G. Thacher
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